

**LODI CITY COUNCIL  
REGULAR CITY COUNCIL MEETING  
CARNEGIE FORUM, 305 WEST PINE STREET  
WEDNESDAY, NOVEMBER 19, 2008**

**C-1    Call to Order / Roll Call**

The City Council Closed Session meeting of November 19, 2008, was called to order by Mayor Mounce at 5:30 p.m.

Present: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Mayor Mounce, and Council Member Katzakian

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

**C-2    Announcement of Closed Session**

- a) Conference with Dean Gualco, Human Resources Manager (Labor Negotiator), Regarding Lodi City Mid-Management Association and Association of Lodi City Employees Regarding General Services and Maintenance & Operators Pursuant to Government Code §54957.6
- b) Conference with Blair King, City Manager (Labor Negotiator), Regarding Unrepresented Executive Management - Deputy City Manager/Internal Services Director - Pursuant to Government Code §54957.6
- c) Prospective Sale of Real Property located at 217 East Lockeford Street, Lodi, California (APN #041-220-02); the Negotiating Parties are City of Lodi and R. Wayne Craig, Agent for Buyers Eagles Lodge of Lodi; Government Code §54956.8

**C-3    Adjourn to Closed Session**

At 5:30 p.m., Mayor Mounce adjourned the meeting to a Closed Session to discuss the above matters. The Closed Session adjourned at 6:50 p.m.

**C-4    Return to Open Session / Disclosure of Action**

At 7:02 p.m., Mayor Mounce reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

In regard to Item C-2 (a), negotiating direction was given to Human Resources Manager Dean Gualco with respect to the General Services and Maintenance and Operators unit.

In regard to Item C-2 (b), negotiating direction was given to City Manager King with respect to the Deputy City Manager position.

In regard to Item C-2 (c), negotiating direction was given to Fire Chief Pretz with respect to an offer to purchase property by the Eagle Lodge.

**A.    Call to Order / Roll call**

The Regular City Council meeting of November 19, 2008, was called to order by Mayor Mounce at 7:02 p.m.

Present: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson,

Mayor Mounce, and Council Member Katzakian

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Invocation - Reverend David Hill, Grace Presbyterian Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards - None

D-2 Proclamations - None

D-3 Presentations

a) Quarterly Update by the Greater Lodi Area Youth Commission (COM)

Josh Gums and Beau Benko, members of the Greater Lodi Area Youth Commission, gave an update on the activities and accomplishments of the Youth Commission.

b) Presentation by Hospice of San Joaquin Regarding 2008 Tree of Lights

Carolyn Gomes, Annual Gifts & Events Coordinator for Hospice of San Joaquin, gave a presentation regarding the 2008 Hospice Tree Lighting in the City of Lodi.

E. Consent Calendar (Reading: Comments by the Public; Council Action)

Council Member Johnson made a motion, second by Mayor Pro Tempore Hansen, to approve the following items hereinafter set forth in accordance with the report and recommendation of the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

E-1 Receive Register of Claims in the Amount of \$1,921,165.05 (FIN)

Claims were approved in the amount of \$1,921,165.05.

E-2 Approve Minutes (CLK)

The minutes of November 4, 2008 (Shirtsleeve Session), November 5, 2008 (Regular Meeting), and November 11, 2008 (Shirtsleeve Session) were approved as written.

E-3 Receive Quarterly Report of Purchases between \$5,000 and \$20,000 (CM)

Received the quarterly report of purchases between \$5,000 and \$20,000 in accordance with Lodi Municipal Code §2.12.060.

E-4 Approve the City of Lodi Annual Investment Policy and Internal Control Guidelines (CM)

Approved the City of Lodi annual investment policy and internal control guidelines.

- E-5 Approve Issuance of Request for Proposals for Investment Portfolio Management Services (CM)

Approved the issuance of request for proposals for investment portfolio management services.

- E-6 Approve Plans and Specifications and Authorize Advertisement for Bids for the North Pool Deck Improvements at Blakely Park-Enze/Field Pool Complex, 1050 South Stockton Street (PR)

Approved the plans and specifications and authorized advertisement for bids for the north pool deck improvements at Blakely Park-Enze/Field Pool Complex, 1050 South Stockton Street.

- E-7 Approve Plans and Specifications and Authorize Advertisement for Bids for Sacramento Street Water Main Installation, Lodi Avenue to Alley South of Lodi Avenue, Project (PW)

Approved the plans and specifications and authorized advertisement for bids for Sacramento Street Water Main Installation, Lodi Avenue to Alley South of Lodi Avenue, Project.

- E-8 Adopt Resolution Awarding Contract for Maintenance of Landscape Areas for 2009 to Creative Outdoor Environments, of Lathrop, for Group A (\$62,144) and Odyssey Companies, of Stockton, for Groups B and C (\$147,700) for an Annual Cost of \$209,844 (PW)

Adopted Resolution No. 2008-217 awarding the contract for Maintenance of Landscape Areas for 2009 to Creative Outdoor Environments, of Lathrop, for Group A, in the amount of \$62,143.92, and Odyssey Companies, of Stockton, for Groups B and C, in the amount of \$147,699.96, for an annual cost of \$209,843.88.

- E-9 Adopt Resolution Awarding Contract for the Installation of Automated Residential Electric Meters to Republic Intelligent Transportation Services, Inc., of Novato, CA (\$88,068) (EUD)

Adopted Resolution No. 2008-218 awarding the contract for the installation of automated residential electric meters to Republic Intelligent Transportation Services, Inc., of Novato, CA, in the amount of \$88,068.

- E-10 Report on Contract Change Orders for White Slough Water Pollution Control Facility Phase 3 Improvements Project 2007 (PW)

Received report on Contract Change Orders for White Slough Water Pollution Control Facility Phase 3 Improvements Project 2007.

- E-11 Report on Contract Change Orders for DeBenedetti Park/G Basin Rough Grading (PW)

Received report on Contract Change Orders for DeBenedetti Park/G Basin Rough Grading.

- E-12 Report on Contract Change Order for Lodi Lake Boathouse/Discovery Center Improvements, 1101 West Turner Road (PR)

Received report on Contract Change Order for Lodi Lake Boathouse/Discovery Center Improvements, 1101 West Turner Road.

- E-13 Adopt Resolution Accepting Improvements at 416, 500, and 540 South Sacramento Street and Appropriating Funds for Required Reimbursements (\$122,298) (PW)

Adopted Resolution No. 2008-219 accepting the improvements at 416, 500, and 540 South Sacramento Street and appropriating funds for the required reimbursements in the amount of \$122,298.

- E-14 Adopt Resolution Authorizing the City Manager to Execute Master Agreement for Wastewater Flow Monitoring Study with V&A, of Oakland (\$40,000), Approving Task Order, and Appropriating Funds (\$23,000) (PW)

Adopted Resolution No. 2008-220 authorizing the City Manager to execute a master agreement for Wastewater Flow Monitoring Study with V&A, of Oakland, in the amount of \$40,000, approving Task Order, and appropriating funds in the amount of \$23,000.

- E-15 Adopt Resolution Authorizing the City Manager to Execute Storm Water Treatment Device Access and Maintenance Agreements (PW)

Adopted Resolution No. 2008-221 authorizing the City Manager to execute Storm Water Treatment Device Access and Maintenance Agreements required by the Storm Water Development Standard Plans on behalf of the City.

- E-16 Adopt Resolution Authorizing the City Manager to Execute Lease Agreement for Temporary Library Facilities at 212 West Pine Street (CA)

Adopted Resolution No. 2008-222 authorizing the City Manager to execute a lease agreement between Beckman Capitol Corporation and the City of Lodi for the temporary relocation of the Lodi Library at 212 West Pine Street during construction.

- E-17 Adopt Resolution Approving Reallocation of Community Development Block Grant Funds to Graffiti Abatement Program (CD)

Adopted Resolution No. 2008-223 approving the reallocation of Community Development Block Grant funds to the Graffiti Abatement Program.

- E-18 Adopt Resolution Approving Application to San Joaquin Council of Governments for Proposition 1B and State Transit Assistance Program Funds and Authorizing Transportation Manager to Submit All Necessary Paperwork (PW)

Adopted Resolution No. 2008-224 approving application to San Joaquin Council of Governments for Proposition 1B and State Transit Assistance Program funds and authorizing the Transportation Manager to submit all necessary paperwork.

- E-19 Adopt Resolutions Pertaining to the March 3, 2009, Special Municipal Election Relating to Ordinance 1812 Approving and Adopting the Redevelopment Plan for the Lodi Community Improvement Project (CLK):

Adopted the following resolutions pertaining to the March 3, 2009, Special Municipal Election relating to Ordinance 1812 approving and adopting the Redevelopment Plan for the Lodi Community Improvement Project:

Resolution No. 2008-225 approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services;

Resolution No. 2008-226 setting priorities for filing written arguments and directing the City Attorney to prepare an impartial analysis; and

Resolution No. 2008-227 providing for the filing of rebuttal arguments.

E-20 Adopt Resolution Appointing Paula J. Fernandez, Transportation Manager/Senior Traffic Engineer, as Director; Julia M. Tyack, Transportation Planner, as Alternate; and Janet Hamilton, Management Analyst/Risk Manager, as Alternate to the Board of Directors of the California Transit Insurance Pool (PW)

Adopted Resolution No. 2008-228 appointing Transportation Manager as Director and Transportation Planner and Risk Manager as Alternates to the board of directors of the California Transit Insurance Pool.

E-21 Adopt Resolution of Intention to Expand the Lodi Tourism Business Improvement District and Set Public Hearing for December 17, 2008 (CA)

Adopted Resolution No. 2008-229 of Intention to expand the Lodi Tourism Business Improvement District and set public meeting for December 17, 2008, and public hearing for January 21, 2009.

E-22 Adopt Resolution Awarding Contract for Lodi Public Library Entry Project to SW Allen Construction, Inc., of Sacramento (\$37,244.75) (PW)

Adopted Resolution No. 2008-230 awarding the contract for Lodi Public Library Entry Project to SW Allen Construction, Inc., of Sacramento, in the amount of \$37,244.75.

F. Comments by the Public on Non-Agenda Items  
THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.  
The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted. Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

Jane Lea spoke in opposition to Measure W on the ballot for the March 3, 2009, Special Election based on her concerns regarding lack of specifics in the plan and possible mismanagement of funds.

Jerry Glenn, representing the Lodi Adopt-A-Child, spoke regarding the organization's mission to help needy children around the holidays and throughout the year. He asked members of the public and Council to participate in the annual program by providing monetary assistance or donations as listed on the cards. Mr. Glenn also invited all to the Lodi Adopt-A-Child's December 20 Christmas Open House.

Pat Patrick spoke in favor of Measure W on the ballot for the March 3, 2009, Special Election based on the possibility of additional revenues that will remain in the City for local services.

G. Comments by the City Council Members on Non-Agenda Items

Council Member Johnson spoke in favor of Measure W on the ballot for the March 3, 2009,

Special Election and encouraged citizens to do their own research to make an informed decision.

Mayor Pro Tempore Hansen encouraged participation in the Lodi Adopt-A-Child program. Mr. Hansen also reported on his attendance at the San Joaquin Council of Governments meeting and specially discussed sales tax reductions, Measure K dollars and project delays, and the County's good fortune to have received more transportation dollars than surrounding counties.

Mayor Mounce, as President of the Central Valley Division of the League of California Cities, stated she will be attending training and commended the Youth Commission for its ongoing efforts and events.

Council Member Hitchcock spoke in favor of Measure W on the ballot for the March 3, 2009, Special Election and encouraged the citizens to investigate the subject matter themselves to make an informed decision.

H. Comments by the City Manager on Non-Agenda Items

None.

I. Public Hearings

I-1 Public Hearing to Consider Unmet Transit Needs in the City of Lodi (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Mounce called for the public hearing to consider unmet transit needs in the City of Lodi.

City Manager King briefly introduced the subject matter of the public hearing to consider unmet transit needs in the City.

Paula Fernandez, Traffic Engineer, provided a presentation regarding the unmet transit needs of the City. She specifically discussed the public hearing and adoption process.

In response to Council Member Hitchcock, Anthony Zapatas, representative from San Joaquin Council of Governments, stated one comment was received in response to the survey. Mr. Zapatas stated the response requested Monday through Friday service from Lodi to the ACE train and that service is already available.

There was no specific action taken on this matter.

J. Communications

J-1 Claims Filed Against the City of Lodi - None

J-2 Appointments

a) Post for Expiring Terms and Vacancies on the Lodi Animal Advisory Commission, Senior Citizens Commission, and Recreation Commission (CLK)

Mayor Pro Tempore Hansen made a motion, second by Mayor Mounce, to direct the City Clerk to post for expiring terms and vacancies on the Lodi Animal Advisory Commission, Senior Citizens Commission, and Recreation Commission as shown below:

Lodi Animal Advisory Commission

Linda Castelanelli, Term to expire December 31, 2008  
Shara Guerrette, Term to expire December 31, 2008  
Christy Morgan, Term to expire December 31, 2010

Lodi Senior Citizens Commission

Judy Bader, Term to expire December 31, 2008

Recreation Commission

David Akin, Term to expire December 31, 2008  
Larry Long, Term to expire December 31, 2008

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson,  
Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

J-3 Miscellaneous

a) Monthly Protocol Account Report (CLK)

Mayor Pro Tempore Hansen made a motion, second by Council Member Katzakian, to approve the cumulative Monthly Protocol Account Report through October 31, 2008.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson,  
Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

K. Regular Calendar

K-1 Consider Financially Underwriting the County of San Joaquin's Development of an Armstrong Road Agricultural/Cluster Zoning Classification to Promote a Buffer Area between the Cities of Lodi and Stockton (CM)

City Manager King briefly introduced the subject matter of underwriting the San Joaquin County development of an Armstrong Road agricultural/cluster zoning classification. Mr. King discussed the previous efforts by the City, County, and property owners to effectuate an agricultural/cluster zoning area and preserving open space in the subject area between the cities of Lodi and Stockton. He stated the funding consideration is for approximately \$500,000. He also discussed specifics regarding the need for preparation of environmental documentation and the County's proposal regarding the same. Mr. King stated \$300,000 could come from the general fund and \$200,000 could come from general government impact fee program associated with the general plan, which could borrow from street fund because there is not a call for that amount in the near future in that fund.

In response to Council Member Hitchcock, Mr. King stated the money was not previously set aside because it was hoped that less than the suggested amount would be needed. Mr. King stated what is being talked about now is a complete specific plan package to be completed in an 18-month period.

In response to Council Member Hitchcock, Mr. King stated the City Council can provide input and pay for what the County recommends as the County would be the direct client of the consultant. Mr. King stated there is an expectation that the City is willing to expose itself to the highest \$500,000 amount even though there may be efforts to save costs and reduce that amount.

In response to Mayor Pro Tempore Hansen, City Attorney Schwabauer stated the current report would only cover the proposed subject areas as it is a specific plan for a specific area. Mr. Schwabauer stated other areas in the County would need their own specific plan; although, the current plan may save costs if it is used as a model for the other areas.

In response to Mayor Pro Tempore Hansen, Mr. Schwabauer confirmed the County could use this as a model for additional areas in the County through their General Plan.

Steve Herum, representative of the Armstrong Road property owners, stated he agreed with the City Manager's comments as the proposed plan is a compromise between all three parties allowing separation without taking away property rights and saving money.

In response to Mayor Pro Tempore Hansen, Mr. Herum stated his clients had more formal meetings with the County directly. Mr. Herum stated that, based on his conversations with the County, he is confident that there is a sense of reasonableness and final resolution and the proposal will be well received by the County.

In response to Mayor Pro Tempore Hansen, Mr. Herum stated the 18-month period for the General Plan amendment process allows some extra time if something goes wrong and he is hopeful that it will be completed prior to that time.

In response to Council Member Johnson, Mr. Herum stated it is difficult to predict an exact timeline for a General Plan update; although, generally speaking it can take anywhere from three to six years. Mr. Herum stated the community meetings for the San Joaquin General Plan update have been scheduled.

Pat Stockar spoke in favor of the proposal, stating it was a good consensus among the stakeholders and may be used as a model for other communities in the County.

Bruce Fry spoke in favor of the proposal, stating it is a good way to preserve agriculture as a business.

Richard Lachland spoke in favor of the proposal, stating it is a good compromise between the parties and the money will be well spent to bring a permanent resolution to the issue.

Ann Cerney suggested getting the Planning Commission to weigh in on the matter and examining the legality involved with committing City funds in connection with a California Environmental Quality Act project requiring an environmental review. Mr. Schwabauer stated the City Council is considering approving an agreement to do an environmental review and not approving a project at this time.

In response to Mayor Pro Tempore Hansen, Mr. Herum stated the proposal allows and encourages property owners to cluster one unit per five acres in close proximity to one another in a manner which maximizes the agricultural area.

Council Member Johnson stated that, while he is supportive of the proposal, he is going to vote against the proposal because of uncertainty in the City budget and the State's reopening its budget.



Council Member Hitchcock made a motion, second by Mayor Mounce, to direct the City Manager to enter into a Memorandum of Understanding with the County of San Joaquin and provide a not to exceed amount of \$500,000 for the development of an Armstrong Road Agricultural/Cluster Zoning Classification in the unincorporated area south of Lodi, a half-mile north and south of Armstrong Road from Highway 99 to Interstate 5.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Mayor Mounce, and Council Member Katzakian

Noes: Council Member Johnson

Absent: None

K-2 Review of City's Annual Financial Report (Fiscal Year 2007-08) by Macias, Gini & O'Connell, LLP (CM)

City Manager King briefly introduced the subject matter of the City's annual financial report. Mr. King stated that, along with the Government Finance Officer's Award, the City received the annual report without reservations or qualifications.

Richard Green, partner in the accounting firm of Macias, Gini & O'Connell, specifically discussed the audit process for the report in the comprehensive annual financial report, the management letter, responsibility of independent auditors, management responsibility for internal controls, issuance of unqualified opinions indicating financial statements are prepared in accordance with standards, lack of any weaknesses, one minor observation, new accounting standards for pension done in accordance with standards, consistency with the process, good access, and no material change recommendations.

In response to Mayor Mounce, Mr. King stated the management letter had a comment regarding JD Edwards access and staff will continue to monitor and track access rights and bring forth a policy regarding the same. Mr. King stated the previous year's comment regarding password changes was incorporated.

In response to Mayor Mounce, Greg Matayoshi stated either an upgraded version or internal control mechanisms, or combination of both, will address the access recommendation.

In response to Mayor Mounce, Mr. King stated the auditors originally proposed the alarming of a specific room to protect electronic files. Mr. King stated the recommendation was addressed by offsite file storage.

In response to Mayor Mounce, Financial Services Manager Ruby Paiste confirmed that the current year is the first year for the capital asset module.

In response to Mayor Mounce, Mr. Matayoshi stated that, with respect to the individual who is doing upgrades and applications, managerial oversight and the specific person's capabilities lead to a certain degree of control, and while cross training was not specifically looked at, ideally it would be good.

In response to Council Member Johnson, Scott Brunner stated there are no concerns regarding a recurrence of the CalPers error from 2002, which was a unique one-time occurrence that appeared to be a result of oversight and some confusion.

In response to Council Member Hitchcock, Mr. Brunner stated the City taking some money out of the self-insurance fund will not necessarily reduce liability and as long as the City remains in the

positive with self-insurance, it will not affect the recommendations. Mr. Brunner stated they are fine with a reduction in that fund.

In response to Council Member Hitchcock, Mr. King stated that, with respect to federal transit indirect costs, referring to the in lieu for cost allocations, while the federal government may accept some type of indirect cost recovery, the focus is to recover direct costs for services and justification for enterprise funds.

In response to Mayor Pro Tempore Hansen, Mr. Brunner confirmed that the overall budget is open, proper procedures are utilized, and there are no hidden issues.

In response to Mayor Pro Tempore Hansen, Mr. Green and Mr. Brunner stated their reports vary from having none to several degrees of concerns and from insignificant to significant comments. Mr. Green stated the City is on the better end of the spectrum.

In response to Council Member Hitchcock, Mr. Green stated it is common to have firm name signed, rather than a specific individual, and the accountability remains the same.

In response to Mayor Pro Tempore Hansen, Mr. Green stated the weaknesses in internal controls are quite frequent and they just had a client with five material weaknesses in internal controls recently.

Council Member Hitchcock made a motion, second by Mayor Mounce, to receive and file the City's Annual Financial Report for the Fiscal Year 2007-2008 as presented by Macias, Gini & O'Connell.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

K-3 Revise and Re-Adopt the Fiscal Year 2008-09 Budget (CM)

City Manager King provided a PowerPoint presentation regarding the revised fiscal year 2008-2009 budget. Mr. King specifically discussed 2008-2009 financial goals and targets, summary of revenue reductions, sales tax revenues by industry group, year to year general fund reductions, typical strategies for addressing financially difficult times, recommended adjustments to attain \$1.8 million, budgeted vacancy factor, transfers to special revenue funds, transit personnel in Public Works, general fund positions, savings in additional general fund expenditures, miscellaneous adjustments, vehicle replacement fund reduction, Budget and Finance Committee recommendations, and summary of proposed reductions.

In response to Council Member Hitchcock, Mr. King stated staff is confident in the levels of the actuarial studies, using good sources of information for sales and property tax estimates, and there will be budget review in January as well to make adjustments as necessary.

In response to Council Member Johnson, Mr. King stated they are doing an adjustment now because there is value in knowing and revising as soon as possible given the extraordinary times.

Council Member Johnson stated he cannot support the proposal currently because the City may need to make big decisions regarding Personnel at mid-year budget review. Mr. King stated this is the groundwork to the mid-year review and staff can only provide the best projections and do

what is necessary by continuing to monitor the budget.

In response to Mayor Pro Tempore Hansen, Mr. King stated normally the San Joaquin Partnership will send an invoice on July 1, the Lodi Tourism Business Improvement District (LTBID) sends a quarterly invoice, and the Downtown Lodi Business Partnership (DLBP) is an annual invoice. He confirmed after checking with Kirk Evans and Susan Bjork that the \$9,300 payment has not yet been made to DLBP.

In response to Council Member Katzakian, Mr. King stated the City's share of property tax comes shortly after the two payments are made, and sales tax information will be reported for the third quarter in the fourth quarter. Mr. King stated the City should receive the information in time for mid-year review.

Curt Juran spoke regarding Streets and Drainage contributions and reduced levels of staffing since 2003.

John Johnson reviewed briefly the recommendations of the Budget and Finance Committee, stating the Committee preferred to save the vehicle replacement fund in light of the City's deferred maintenance problem.

In response to Mayor Pro Tempore Hansen, Mr. King confirmed that the City is not eliminating the vehicle replacement fund, but only reducing the contribution leaving approximately \$575,000 in the fund.

Mayor Pro Tempore Hansen made a motion to temporarily suspend payments to DLBP, LTBID, Arts Grant Program, and San Joaquin Partnership. The motion failed for lack of a second.

Mayor Pro Tempore Hansen made a motion to temporarily suspend the \$104,000 transfer to street sweeping until the mid-year review. The motion failed for lack of a second.

Council Member Hitchcock made a motion, second by Mayor Mounce, to adopt Resolution No. 2008-231 revising the Fiscal Year 2008-09 Budget as recommended by the City Manager.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Mayor Mounce, and Council Member Katzakian

Noes: Council Member Johnson

Absent: None

K-4 Approve Downtown Lodi Business Partnership 2008-09 Annual Report, Adopt Resolution of Intent to Levy Annual Assessment, and Set Public Hearing for December 17, 2008 (CM)

City Manager King briefly introduced the subject matter of the annual report for the Downtown Lodi Business Partnership (DLBP).

Jaime Watts, Executive Director, presented a PowerPoint presentation regarding the DLBP 2008 annual report. She specifically discussed what is the DLBP, funds overview, brand image campaign, downtown beautification, media relations, events in downtown area, Farmers Market, Annual Parade of Lights, community outreach, member benefits, and 2009 plans.

In response to Mayor Pro Tempore Hansen, Ms. Watts confirmed that the report is due by

September 1 of each year and there was a delay in providing the report.

In response to Mayor Pro Tempore Hansen, Ms. Watts stated in an effort to continually improve there is a regrouping after every event to determine what went right and wrong.

In response to Mayor Pro Tempore Hansen, Ms. Watts stated an economic committee is looking at additional funding, including grants and sponsorships.

In response to Mayor Pro Tempore Hansen, Ms. Watts confirmed that there was a \$3,500 theft in July 2008 for which the \$500 deductible will show in the 2008-2009 report.

In response to Mayor Mounce, Ms. Watts stated the DLBP would need to cut back on events if it did not receive some monetary assistance from the City. Ms. Mounce suggested the profit loss statements reflect the budget cycle for DLBP.

Randy Lipelt stated there are lights in boxes in the warehouse that may be donated to DLBP. Mr. King stated staff will find out about the details of the same.

Ann Cerney spoke in support of providing financial assistance to DLBP, of which she is a member, stating they provide a good service to the downtown area.

In response to Mayor Pro Tempore Hansen, Mr. King stated that, if the September 1 deadline set forth in the Streets and Highways Code is not met next year, the City Council may want to consider a three percent assessment.

Mayor Pro Tempore Hansen made a motion, second by Mayor Mounce, to approve DLBP 2008-09 Annual Report as submitted by the DLBP Board of Directors, adopt Resolution No. 2008-232 of Intent to levy annual assessment, and set public hearing for December 17, 2008.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

K-5 Approve Expenses Incurred by Outside Counsel/Consultants Relative to the Environmental Abatement Program Litigation and Various Other Cases being Handled by Outside Counsel (\$113,250.26) (CA)

Mayor Mounce made a motion, second by Council Member Hitchcock, approve expenses incurred by outside counsel/consultants relative to the Environmental Abatement Program litigation and various other cases being handled by outside counsel in the amount of \$113,250.26, as further detailed in the staff report.

VOTE:

The above motion carried by the following vote:

Ayes: Mayor Pro Tempore Hansen, Council Member Hitchcock, Council Member Johnson, Mayor Mounce, and Council Member Katzakian

Noes: None

Absent: None

L. Ordinances - None

M. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 11:00 p.m., in memory of Lee Ann Weigum.

ATTEST:

Randi Johl  
City Clerk